

Kalamazoo Public Library
OFFICIAL MINUTES OF THE BOARD OF TRUSTEES
PUBLIC MEETING
Date: November 25, 2013
Time: 4:00 p.m.
Location: Central Library Van Deusen Room

TRUSTEE ROLL CALL:

Present: Robert Brown, Fenner Brown, Bruce Caple, Lisa Godfrey, James VanderRoest, Cheryl TenBrink, and Valerie Wright.

Absent: None

CALL TO ORDER:

President TenBrink called the meeting to order at 4:00 p.m.

AGENDA APPROVAL:

The agenda was approved.

I. RECOGNITIONS, RESOLUTIONS, COMMUNICATIONS
None.

II. PERSONS REQUESTING TO ADDRESS THE BOARD
Ayshhyah Khazad, 710 Collins St., Apt. 1202, addressed the Board saying the pair of headphones he was given in order to drown out the noise of loud patrons at the library did not work well. He said these earphones did not keep the noise out and the library should consider other types of headphones. He also said he thought the science fiction collection at Central Library no longer contained many sci-fi classics.

President TenBrink thanked A. Khazad for his comments.

III. COMMITTEE OF THE WHOLE
A. Review of Financial Forecasts and Millage Discussion

President TenBrink suggested the Board move to a committee of the whole to review financial forecasts presented by D. Schiller and discuss the expiration of the library's smaller millage in 2014. She invited D. Schiller to join the table for the discussion following her presentation.

MOTION: J. VANDERROEST MOVED AND F. BROWN SUPPORTED THE MOTION TO MOVE TO A COMMITTEE OF THE WHOLE TO REVIEW FINANCIAL FORECASTS AND DISCUSS THE UPCOMING MILLAGE EXPIRATION.

Roll Call Vote: J. Vander Roest—yes; R. Brown—yes; F. Brown—yes; B. Caple—yes; V. Wright—yes; L. Godfrey—yes ; C. TenBrink—yes.

MOTION CARRIED 7-0.



Director Rohrbaugh told Board members D. Schiller would begin with a PowerPoint presentation to set the stage for the discussion. D. Schiller said the presentation covered where the library had been the last five years and was similar to the type of presentation the auditors usually gave each year. She said real property tax provided the greatest percentage of the library's income. Real property tax provided approximately \$8.3 million of the library's income and the decline in the library's revenue over time had been primarily due to decreasing real property values. This has equaled a loss of \$3.5 million to the library over the last five years though the change in real property values is beginning to approach zero.

D. Schiller said changes in expenditures mirrored closely the changes in revenue with most expenditures relative stable other than personnel costs. The library had reduced the library's FTEs by 14.65 in the last five years and the library's share of employee healthcare has dropped substantially.

D. Schiller said there were two major uncertainties for trying to determine future funding for the library: "when would real property values stop dropping?" and "how will the loss of personal property tax effect library funding?" D. Schiller said there were many unknowns about personal property tax but estimates for reimbursement were about 62%. D. Schiller gave three versions of five-year forecasts for the library's revenue and expenditures and gave examples of some of the capital improvements that will likely need to be funded within the next ten years. With the age of the buildings and resulting expected needs plus non-facility related capital needs, D. Schiller explained capital needs will be larger over the next ten years than the current scheme for funding the CIP would allow for. Lastly, D. Schiller gave Trustees an example of how KPL would have to operate if the second millage were not renewed which included location closures and staffing being reduced by 50%.

Director Rohrbaugh pointed Trustees to the Millage Q & A sheet. She said the first question that needed to be asked was if the millage should be renewed. If the answer was "no" then none of the remaining questions needed to be covered. Other questions were "what else will be on the ballot?" and "how is the millage vote paid for?" Director Rohrbaugh said the language for the ballot must be submitted by February 26, 2014 for the May ballot. She said, at this time, she was unsure if the county wide school enhancement millage would be on the May 2014 ballot. If the library were the only item on the ballot, it would be required for covering the entirety of the election cost estimated at \$75,000. B. Caple asked if the library could delay a decision on when to be on the ballot until the February 24, 2014 Board meeting. By this meeting, the Board would know definitively whether or not it was the only item on the ballot for May. Director Rohrbaugh said the Board would be able to make a decision at the February 24, 2014 and be assured the millage language got to the county clerk before the deadline.

L. Godfrey said she thought the presentation confirmed the Board's feelings about the second millage, but the first topic of conversation should be whether or not the Board wanted to renew the second millage. She said she thought the library should go forward with this millage vote. All other Board members confirmed they also supported the renewal of this millage. J. VanderRoest questioned whether the library should go for a renewal of the current rate or go

for a small symbolic cut. He said even the moderate five-year revenue and expenditure forecast presented by D. Schiller which accounted for a renewal of the second millage did not fully cover the anticipated capital needs. B. Caple said it was apparent after the Budget and Finance Committee had met the library would be struggling even with a full renewal of the second millage, saying revenue had dropped 10% in the last three to four years with both millages fully in place. He thought even a small symbolic cut was not responsible.

L. Godfrey said community members would be dumbfounded if they learned the library would have to close locations due to declined revenues if the millage did not pass. She said library services remain very important services in the community. J. VanderRoest said D. Schiller made a very good case for the responsible steward Director Rohrbaugh had been saying the library had cut all it could without significant service reductions and not renewing the millage would result in cuts very deeply felt throughout the community.

R. Brown said he was comfortable going for the maximum amount the library could while still calling this vote a renewal. L. Godfrey said the library could go for a Headlee override. D. Schiller said this would only amount to approximately \$100,000. R. Brown added a Headlee override meant the issue could not be called a renewal. F. Brown said the library was an example of government doing the right thing and the Board shouldn't be intimidated to go for more than a renewal because of the strong support the library had from the community. L. Godfrey said legally the library was allowed to levee up to four mils but was concerned the library would be asking for more of voters who were strained. D. Schiller said the library currently levied 3.958 mils and if going for a Headlee override, the issue could not be called a renewal. Increasing to 4 mils would only provide approximately \$125,000, \$30,000 of which would come from this smaller millage.

Director Rohrbaugh asked Board members if they were interested in combining the two millages into one. If combining the two was not something the Board wanted to do, she asked, what would be the term for the renewal of this millage? With the smaller millage being under 2 mils, the library could consider asking for it in perpetuity. L. Godfrey said if the library went for the combined millage and lost, the second millage passed in 2009 would remain effective. She said attempting to combine the two would take a different type of campaign. She said she preferred simply going for a renewal of the second millage but not in perpetuity because of possible opposition. She said by the time 2029 came around, the funding schemes for libraries may be very different. V. Wright said the library had been very clear during the last campaign that there were two separate millages. She thought the library should continue to keep the two millages separate, renew at the current rate, and renew for 20 years, not in perpetuity. J. VanderRoest and R. Brown agreed with a renewal for 20 years. J. VanderRoest added the library could consider combining the two millages at any time in the future.

Director Rohrbaugh asked Board members about timing for the millage vote. She always thought the library would go in May 2014 but, though she thinks the schools would have something on the ballot, she said there was a chance KPL would be the only issue. President TenBrink said it would help with the cost if the schools also had an issue on the ballot. R. Brown asked if the Board would know in advance of the January Board meeting if the schools would have something on the May ballot. B. Caple said it seemed bad posture to be the only item on the ballot and it may look bad if the library was willing to cover the whole cost of the election by itself. J. VanderRoest said he preferred going to the voters in May and didn't want this decision to be contingent on others. V. Wright said she wanted to make sure the positive voters would

come out for the election and she wasn't sure if the positive turnout would be great if the library were the only thing on the ballot.

Director Rohrbaugh reiterated the preferences of the Board members. L. Godfrey asked if the library could withdraw its decision to be on the ballot at a specific time if it found out it would be the only issue on the ballot. Director Rohrbaugh said the library could likely withdraw if the deadline for submitting language had not passed. Director Rohrbaugh said she would talk with Dr. Michael Rice from Kalamazoo Public Schools about the county wide enhancement millage and update the Board at the December Board meeting.

MOTION: B. CAPLE MOVED AND F. BROWN SUPPORTED THE MOTION TO RETURN TO OPEN SESSION.

Roll Call Vote: J. Vander Roest—yes; R. Brown—yes; F. Brown—yes; B. Caple—yes; V. Wright—yes; L. Godfrey—yes ; C. TenBrink—yes.

MOTION CARRIED 7-0.



IV. OTHER BUSINESS

There was no other business.

V. PERSONS REQUESTING TO ADDRESS THE BOARD

Carol Tregerman, 1413 Edington Ave., Portage, MI 49024, asked the Board to revisit its policy of no sleeping in the library for patrons that were not misbehaving. She said she had compassion for those staying in local shelters who may be exhausted and have no other place to sleep.

Ayshhyah Khazad, 710 Collins St., Apt. 1202, said the PowerPoint presentation had stated expenditures and revenue for the library had gone down but circulation had risen. He said he was skeptical circulation had risen that much and said much of what has circulated was "junk". He suspected since the sci-fi collection lacked many classics, likely other collections in the library also lacked classic literature.

VI. COMMENTS BY TRUSTEES

- F. Brown congratulated E. Cloyd on a successful Spelling Bee.
- R. Brown said he enjoyed watching other people at the Spelling Bee have a good time.
- J. VanderRoest said he didn't know how many classics the library did or didn't have but said he had recently checked out a book by Raymond Chandler and he was a new fan of his books.

VII. ADJOURNEMENT

Hearing no objection, President TenBrink adjourned the meeting at 5:13 p.m.

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Fenner Brown
Secretary